

DEPARTMENT OF WORKFORCE DEVELOPMENT
DIVISION OF ECONOMIC SUPPORT
ADMINISTRATOR'S MEMO SERIES

NOTICE 00-20

ISSUE DATE: 12/08/2000
DISPOSAL DATE: Ongoing

RE: MEDICAID
ADMINISTRATION –
UPDATED AGREEMENT
BETWEEN THE
DEPARTMENTS OF
WORKFORCE
DEVELOPMENT AND
HEALTH AND FAMILY
SERVICES

To: County Departments of Human Services Directors
County Departments of Social Services Directors
Tribal Chairpersons/Human Services Facilitators
Tribal Economic Support Directors
W-2 Agency Directors

From: Jennifer L. Noyes /s/
Administrator
Division of Economic Support

Peggy L. Bartels /s/
Administrator
Division of Health Care Financing

The Departments of Workforce Development (DWD) and Health and Family Services (DHFS) have entered into a new Memorandum of Understanding regarding state agency responsibilities for the Medicaid program for the current state fiscal year. This replaces the MOU in effect from 1997-2000. The purpose of this memo is to provide an update to local agencies and state staff about this new agreement at the state level and the reason for these changes and to identify points of contact on issues involving the administration of the Medicaid program.

In the 1999-2001 state biennial budget, provisions were included to move functions, staff and funding from DWD to DHFS for Medicaid administration and to move the management of the CARES system. These provisions were vetoed by Governor Tommy G. Thompson, with instructions to DOA to recommend appropriate transfer of Medicaid Administrative dollars and associated staff from DWD to DHFS. The CARES system management was to remain within DWD.

This new MOU (copy attached) reflects the changes recommended by DOA. It moves 20 positions from DWD to DHFS, incorporates DHFS into the contracting process of DWD with local IM and W-2 agencies, and moves authority for funding decisions related to Medicaid administration from DWD to DHFS. The changes related to state and local funding and DWD position transfers are expected to be formalized in the Biennial Budget for 2001 –03. The MOU also reflects the changes that have been made in the management of the CARES system. The Administrative Services Division of DWD is now responsible for overall management of the CARES system, with management direction provided by representatives of DHFS, DOA and DWD. The Administrative Services Division chairs the CARES Executive Committee referred to in the MOU.

Our shared goal throughout the planning and negotiations that have resulted in this new agreement was to improve program administration, including our support and service to the local agencies that administer the Income Maintenance and W-2 Programs. There have been no other changes to the respective responsibilities of the state agencies for program administration.

DHFS remains the single state agency in Wisconsin with overall responsibility for the determination and approval of Medicaid program eligibility policy and all aspects of Medicaid eligibility and benefits. DHFS has the lead responsibility for all Medicaid-related functions connected to CARES, including setting priorities, developing business requirements, preparing service requests, conducting user acceptance testing, and communicating eligibility policy changes that affect the transmission of data from the CARES system to the Medicaid fiscal agent.

DWD continues to be responsible for state supervisory functions of local administration. These functions include management of CARES and the CARES vendor, Deloitte Consulting, local contracting, statewide training, CARES Call Center, field support, and program policy for W-2 and other TANF employment programs, Food Stamps, Food Stamps Employment and Training, Child Care, Refugee Services and other programs.

Communications with County, Tribal and W-2 Agencies

Staff in county, W-2 and tribal agencies should continue to direct questions and problem reports about Medicaid policy or systems problems to the DES Call Center. Systems problems are logged into a database and assigned to experts to research and fix. The staff in the Medicaid program work very closely with the DES staff on the Call Center and the staff who manage the work on the CARES system. Both agencies rely on this information to identify and prioritize policy and systems work for all programs.

On issues of administration, policy or management of the Medicaid program, please contact the Administrator of the Division of Health Care Financing, Peggy Bartels, at (608) 266-2522 or the Director of the Bureau of Health Care Eligibility, Susan Wood, at (608) 266-5635. On similar issues for other programs, contact your Regional Area Administrator.

Staffs in both agencies are committed to working together and with the local agencies to coordinate activities and to avoid duplication or confusion. Your advice as we proceed in this endeavor is welcome, and can be directed to either agency.

REGIONAL OFFICE CONTACT: Area Administrator